

THE OFFICE OF REGULATORY STAFF

DIRECT TESTIMONY AND EXHIBITS

OF

MICHAEL L. SEAMAN-HUYNH

MARCH 8, 2011



DOCKET NO. 2011-2-E

**Annual Review of Base Rates for Fuel Costs
of South Carolina Electric & Gas Company**

**DIRECT TESTIMONY OF
MICHAEL L. SEAMAN-HUYNH**

**ON BEHALF OF
THE SOUTH CAROLINA OFFICE OF REGULATORY STAFF
DOCKET NO. 2011-2-E**

**IN RE: ANNUAL REVIEW OF BASE RATES FOR FUEL COSTS
OF SOUTH CAROLINA ELECTRIC & GAS COMPANY**

Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS AND OCCUPATION.

A. My name is Michael Seaman-Huynh. My business address is 1401 Main Street, Suite 900, Columbia, South Carolina 29201. I am employed by the State of South Carolina as a Senior Electric Utilities Specialist in the Electric Department for the Office of Regulatory Staff ("ORS").

Q. PLEASE STATE YOUR EDUCATIONAL BACKGROUND AND EXPERIENCE.

A. I received a Bachelor of Arts Degree from the University of South Carolina in 1997. Prior to my employment with ORS, I was employed as an energy analyst with a private consulting firm. I joined ORS in June 2006 as an Electric Specialist and was promoted to Senior Electric Specialist in 2010. I have testified on several occasions before this Commission in conjunction with fuel clause proceedings.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. The purpose of my testimony is to set forth ORS Electric Department's findings and recommendations resulting from its examination and review of South Carolina Electric & Gas Company's ("SCE&G" or "Company") fuel expenses and power plant

operations used in the generation of electricity to meet the Company's retail customer requirements. The review period includes the actual data for January 2010 through December 2010, estimated data for January 2011 through April 2011, and forecasted data for May 2011 through April 2012.

Q. WHAT AREAS WERE ENCOMPASSED IN YOUR REVIEW OF THE COMPANY'S FUEL EXPENSES AND PLANT OPERATIONS?

A. ORS examined various fuel and performance related documents as part of its review. The information reviewed addressed various energy generation and power plant maintenance activities. In preparation for this proceeding, ORS analyzed the Company's monthly fuel reports including power plant performance data, unit outages and generation statistics. ORS evaluated nuclear fuel, coal, natural gas, and transportation contracts and the reagent contracts for ammonia and limestone. ORS also evaluated the Company's policies and procedures for fuel procurement. All information was reviewed with reference to the Company's existing Adjustment for Fuel and Variable Environmental Costs Rider and the Fuel Clause statute.

Q. WHAT ADDITIONAL STEPS WERE TAKEN IN ORS'S REVIEW OF THE COMPANY'S PROPOSAL IN THIS PROCEEDING?

A. Numerous meetings were held with SCE&G personnel representing a variety of areas of expertise to discuss and review the Company's coal, natural gas, and nuclear fuel procurement; fuel transportation; environmental costs and compliance procedures; nuclear, fossil and hydro generating plant's performance; plant dispatch; forecasting; and general Company policies and procedures. These meetings occurred at ORS offices as well as SCE&G headquarters in Cayce, S.C. In addition, on a daily basis, ORS keeps

1 the review period. This exhibit shows the cumulative average projected fuel cost level
2 for the period was 1.94% above the actual cost level.

3 **Q. WHAT OTHER INFORMATION HAS ORS REVIEWED IN MAKING ITS**
4 **DETERMINATIONS IN THIS PROCEEDING?**

5 **A.** Exhibit MSH-9 shows ending period balances of fuel costs beginning in July
6 1979. The Company has experienced both under-recovery and over-recovery balances
7 throughout the approximate thirty-year period. As of December 2010, the Company had
8 a cumulative under-recovery of \$72,832,265.

9 **Q. WHAT OTHER SOURCES OF INFORMATION DOES ORS USE IN**
10 **DETERMINING THE REASONABLENESS OF A UTILITY'S REQUEST FOR A**
11 **FUEL COST COMPONENT?**

12 **A.** ORS routinely 1) reviews private and public industry publications as well as those
13 available on the Energy Information Administration's ("EIA") website; 2) conducts
14 meetings with Company personnel; 3) attends industry conferences; and 4) reviews fuel
15 information as filed monthly by electric generating utilities with the Federal Government.
16 An example of the EIA data reviewed is included on Exhibits MSH-10 and MSH-11.
17 Exhibit MSH-10 provides spot coal price data for a three-year period and includes the
18 steady rise in prices since mid-2009 for both Northern and Central Appalachian Coal.
19 SCE&G generally obtains its coal from the Central Appalachia region. Exhibit MSH-11
20 provides uranium price data for the previous fifteen-year period and shows a significant
21 increase in the price of uranium since 2006.

22 **Q. IN THE SETTLEMENT AGREEMENT IN THE PREVIOUS FUEL REVIEW**
23 **(DOCKET NO. 2010-2-E), ORS RESERVED THE RIGHT TO REVIEW THE**

**OUTAGE EXTENSION THAT OCCURED AT THE V.C. SUMMER NUCLEAR
STATION AS A RESULT OF THE NOVEMBER 2009 ELECTRICAL FIRE. HAS
ORS REVIEWED THIS EVENT?**

A. Yes. ORS conducted an extensive review into this matter. ORS met with the Company on several occasions and reviewed the reports from both SCE&G and the NRC regarding the Company's actions prior to, during, and after the event. ORS concluded that the Company acted reasonably.

**Q. HAS ORS REVIEWED THE COMPANY'S PROPOSAL TO RECOVER THE
PROJECTED UNDER-COLLECTED BASE FUEL COST BALANCE?**

A. Yes. As set forth in Company Witness Rooks' EXHIBIT NO. ____ (AWR-1), the Company has a projected under-collected balance of base fuel costs of \$60,195,809 as of April 2011. ORS Witness Seale adjusts this figure to \$59,504,695 on page 17 of her testimony and on Audit Exhibit CLS-6, page 2 of 2. The Company proposes to collect the under-collected balance over the next twelve months, with the balance being fully recovered by April 2012.

**Q. DOES ORS HAVE AN ALTERNATE RECOMMENDATION TO OFFER
CONCERNING THE RECOVERY OF THE UNDER-COLLECTED BALANCE?**

A. Yes. Considering the current economic conditions facing South Carolina, ORS recommends the impact of the unrecovered balance to ratepayers be mitigated by amortizing these costs over an additional twelve-month period, for a total of two years. ORS also recommends that carrying costs be allowed for that portion of the under-collected balance to be recovered during the second year of the two-year amortization, and, if approved, be based on the 3-year U.S. Government Treasury Note rate plus 65

1 basis points. ORS further recommends that the first dollars recovered in the succeeding
2 twelve months, beginning with the first billing cycle for May 2011, be applied to the
3 under recovery so that in the next fuel proceeding, any under recovery will apply to the
4 period May 2011 through April 2012.

5 **Q. WHAT IS THE BASIS FOR YOUR RECOMMENDATION?**

6 **A.** During the 2009 Annual Fuel Review (Docket No. 2009-2-E), SCE&G was
7 experiencing significant increases in its fuel costs. In Order No. 2009-289 the Company
8 was allowed to spread the under-collected balance as of April 30, 2009 over a three-year
9 period as ORS recommended. Although SCE&G's under-collected balance is
10 significantly lower as of April 30, 2011, ORS considers this additional measure of relief
11 for ratepayers is reasonable, appropriate and warranted.

12 **Q. DOES ORS HAVE ANY OTHER RECOMMENDATION TO OFFER IN THIS**
13 **PROCEEDING?**

14 **A.** Yes. After meeting with SCE&G personnel and reviewing the data supplied by
15 the Company, ORS determined that SCE&G's fuel cost forecast was reasonable;
16 however, during the review, ORS was made aware of the Company's plans for shipping
17 additional spot coal during the forecasted period. These shipments would lower the
18 Company's overall fuel transportation cost. Based on the information supplied by the
19 Company, ORS recommends reducing the Company's forecasted fossil fuel costs by \$1
20 million in both November and December 2011 to account for lower forecasted
21 transportation costs.

22 **Q. WHAT IS THE TOTAL FUEL COST FACTOR BY CLASS RESULTING FROM**
23 **ORS'S RECOMMENDATIONS IN THIS PROCEEDING?**

1 **A.** The resulting total fuel cost factors are shown on Exhibit MSH-12. The fuel
2 factor proposed by ORS would increase the average monthly bill for a residential
3 customer using 1000 kWh by \$0.49 from \$124.03 to \$124.52. This is \$1.44 less than the
4 Company's proposed increase.

5 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

6 **A.** Yes, it does.

Office of Regulatory Staff
Power Plant Performance Data Report
Availability Factors (Percentage) for
South Carolina Electric & Gas Company

PLANT	UNIT	HISTORICAL DATA				REVIEW PERIOD (ACTUAL) DATA												Average Review Pd.
		NET MW RATING	YEAR 2008	YEAR 2009	YEAR 2010	JAN 2010	FEB 2010	MAR 2010	APR 2010	MAY 2010	JUN 2010	JUL 2010	AUG 2010	SEP 2010	OCT 2010	NOV 2010	DEC 2010	
CANADYS	1	90	86.1	87.2	75.6	94.1	64.8	85.1	76.8	37.8	86.8	99.4	92.5	67.5	97.3	74.5	30.9	75.6
CANADYS	2	115	66.7	87.4	93.2	94.4	100.0	89.6	82.6	100.0	89.1	100.0	90.5	94.4	100.0	77.9	100.0	93.2
CANADYS	3	180	82.0	79.6	63.0	44.9	0.0	0.0	25.4	57.2	92.3	96.5	99.1	100.0	66.2	74.5	100.0	63.0
COPE		410	75.9	96.4	94.1	97.5	100.0	97.4	66.7	68.7	99.2	100.0	100.0	100.0	100.0	100.0	100.0	94.1
McMEEKIN	1	125	88.0	63.7	94.7	100.0	100.0	100.0	76.5	100.0	100.0	99.5	100.0	100.0	60.0	100.0	100.0	94.7
McMEEKIN	2	125	91.2	87.7	80.6	82.9	0.0	50.5	100.0	90.2	96.6	100.0	94.9	100.0	56.7	100.0	95.7	80.6
URQUHART	3	95	87.5	71.4	92.7	100.0	99.9	85.7	100.0	100.0	100.0	96.8	91.4	96.7	94.5	47.7	100.0	92.7
WATEREE	1	342	94.3	71.4	90.0	100.0	57.3	100.0	100.0	99.5	100.0	100.0	94.1	100.0	71.4	61.9	95.9	90.0
WATEREE	2	342	93.2	91.7	90.1	100.0	100.0	84.1	65.3	97.6	91.2	78.5	74.3	91.4	99.1	100.0	100.0	90.1
WILLIAMS		605	81.4	86.0	74.7	83.2	91.5	100.0	100.0	55.4	91.0	90.9	100.0	48.1	0.0	36.6	100.0	74.7
COAL TOTALS		2429	84.6	82.3	84.9	89.7	71.3	79.2	79.3	80.6	94.6	96.2	93.7	89.8	74.5	77.3	92.2	84.9
JASPER	1	161	88.6	94.9	76.4	97.7	100.0	42.0	5.5	93.6	99.5	100.0	97.7	100.0	99.0	16.6	64.9	76.4
JASPER	2	168	92.2	95.9	83.4	97.7	100.0	42.0	6.9	93.6	100.0	100.0	91.9	100.0	100.0	69.1	100.0	83.4
JASPER	3	151	92.5	88.9	84.5	97.6	100.0	42.0	13.1	93.1	100.0	100.0	97.1	100.0	100.0	71.3	100.0	84.5
JASPER	4	392	93.5	96.6	84.6	97.7	100.0	42.0	10.9	93.6	99.9	100.0	99.8	99.6	100.0	71.2	100.0	84.6
URQUHART	5	162	78.2	92.4	85.2	96.8	95.1	75.0	100.0	99.9	100.0	99.9	96.1	100.0	4.2	64.7	90.9	85.2
URQUHART	1	64	79.8	92.2	88.5	100.0	99.3	75.3	100.0	100.0	100.0	100.0	98.7	100.0	4.2	84.7	100.0	88.5
URQUHART	6	168	87.5	92.3	79.3	96.1	99.3	72.8	92.7	99.1	97.7	95.0	94.5	82.3	0.0	28.5	93.5	79.3
URQUHART	2	64	87.6	91.5	81.3	100.0	100.0	75.4	97.1	100.0	99.9	95.0	96.3	82.3	0.0	30.2	100.0	81.3
CC TOTALS ¹		1330	87.5	93.1	82.9	98.0	99.2	58.3	53.3	96.6	99.6	98.7	96.5	95.5	50.9	54.5	93.7	82.9
V.C. SUMMER	1	966	84.4	81.7	99.1	100.0	97.4	100.0	100.0	100.0	100.0	100.0	100.0	91.6	100.0	100.0	100.0	99.1

Note 1: CC designates Combined-Cycle units

**Office of Regulatory Staff
Power Plant Performance Data Report
Capacity Factors (Percentage) for
South Carolina Electric & Gas Company**

HISTORICAL DATA

REVIEW PERIOD (ACTUAL) DATA

PLANT	UNIT	NET MW RATING	LIFE TIME	YEAR 2008	YEAR 2009	YEAR 2010	JAN 2010	FEB 2010	MAR 2010	APR 2010	MAY 2010	JUN 2010	JUL 2010	AUG 2010	SEP 2010	OCT 2010	NOV 2010	DEC 2010	Average Review Pd
CANADYS	1	90	80.7	67.6	38.7	39.9	22.5	25.8	30.9	66.4	11.5	64.3	59.1	75.0	25.1	16.3	62.0	20.1	39.9
CANADYS	2	115	79.7	50.0	28.8	40.6	68.6	63.5	0.0	9.5	40.3	34.0	56.0	60.0	33.3	46.9	46.3	29.1	40.6
CANADYS	3	180	51.1	66.4	29.0	40.3	36.8	0.0	0.0	5.9	28.1	76.1	83.3	83.1	83.3	19.6	56.6	10.5	40.3
COPE		410	78.5	71.0	69.3	74.4	90.2	85.7	70.7	45.3	47.5	76.5	78.3	77.1	77.7	83.7	80.1	79.9	74.4
McMEEKIN	1	125	68.9	80.3	38.3	70.9	86.3	84.0	62.4	33.7	73.4	78.8	80.1	81.0	77.1	46.0	72.5	75.4	70.9
McMEEKIN	2	125	69.1	82.9	50.0	60.3	68.1	0.0	36.2	85.3	61.1	74.6	79.9	74.9	72.4	37.2	63.3	71.0	60.3
URQUHART	3	95	74.7	77.2	47.7	47.8	79.0	66.1	0.0	13.2	30.6	68.1	70.8	67.6	58.7	68.3	5.6	45.9	47.8
WATEREE	1	342	69.7	79.7	48.8	68.1	83.7	41.3	60.9	78.9	70.3	79.0	81.8	70.0	73.2	54.9	44.4	78.6	68.1
WATEREE	2	342	69.8	79.5	61.3	66.8	78.5	82.7	64.3	50.5	72.2	69.2	58.9	53.8	63.1	51.1	79.6	77.7	66.8
WILLIAMS		605	67.7	76.2	72.5	66.3	81.3	88.1	96.3	93.3	50.3	77.3	77.4	84.1	38.5	0.0	25.1	83.9	66.3
COAL TOTALS		2429	69.3	73.5	55.8	63.1	76.2	64.7	59.8	59.1	53.1	73.2	74.3	73.8	60.5	40.3	53.1	68.6	63.1
JASPER	1	161	n/a	33.9	66.6	57.2	39.5	64.1	26.8	3.7	75.3	79.5	82.0	82.2	85.5	90.7	12.0	44.8	57.2
JASPER	2	168	n/a	37.5	60.1	62.9	56.8	53.3	21.6	4.0	74.3	71.3	76.0	75.5	81.9	95.6	57.7	86.3	62.9
JASPER	3	151	n/a	38.6	62.7	64.0	40.3	67.4	22.6	7.0	67.8	79.0	77.1	83.2	82.0	98.1	60.4	83.3	64.0
JASPER	4	392	n/a	26.6	48.2	48.9	31.6	44.5	16.3	3.2	55.6	61.3	62.7	68.3	67.7	82.5	37.2	56.2	48.9
URQUHART	5	162	n/a	20.3	56.2	43.9	30.5	32.7	33.0	35.3	33.5	79.5	65.2	74.2	83.3	2.0	17.6	40.1	43.9
URQUHART	1	64	n/a	22.1	59.0	49.8	37.1	39.7	38.2	39.0	36.4	91.7	74.2	83.2	88.2	2.3	21.4	45.8	49.8
URQUHART	6	168	n/a	18.5	53.6	38.8	27.0	40.6	2.8	39.9	60.8	65.4	68.0	75.3	45.9	0.0	5.0	35.3	38.8
URQUHART	2	64	n/a	20.4	57.6	44.8	31.8	49.0	3.1	46.4	68.6	75.8	78.8	86.2	51.2	0.0	5.9	40.6	44.8
CC TOTALS		1330	n/a	27.9	56.2	51.3	36.3	48.6	19.7	16.2	59.4	71.7	70.7	75.8	72.6	58.9	30.6	55.8	51.3
V.C. SUMMER	1	966	82.8 ¹	84.2	81.3	100.3	101.7	98.2	102.0	101.7	101.7	100.2	100.1	99.7	91.4	101.8	102.3	102.3	100.3

Note 1: The lifetime nuclear unit capacity factor for V.C. Summer is through December 2010

**Office of Regulatory Staff
Fossil Unit Outage Report
(100 Hrs or Greater Duration) for
South Carolina Electric & Gas Company**

UNIT	DATE OFF	DATE ON	HOURS	TYPE	EXPLANATION OF OUTAGE
Canadys #1	4/24/10	5/13/10	471.03	Planned	Unit was taken offline due to a planned Spring outage.
Canadys #1	5/20/10	5/24/10	102.00	Maintenance	Unit was taken offline to replace steam drum safety valve.
Canadys #1	9/7/10	9/12/10	123.00	Maintenance	Unit was taken offline to overhaul turbine intercept valves.
Canadys #1	11/23/10	12/22/10	698.00	Planned	Unit was taken offline to install the #1 ESST switch.
Canadys #2	4/19/10	4/24/10	125.00	Planned	Unit was taken offline to replace steam drum safety valve.
Canadys #2	11/24/10	12/11/10	409.92	Planned	Unit was taken offline to install the #1 ESST switch.
Canadys #3	1/14/10	4/9/10	2031.62	Planned	Unit was taken offline due to a planned Spring outage.
Canadys #3	4/19/10	5/10/10	515.93	Maintenance	Unit was taken offline to repair control valve linkage.
Canadys #3	10/4/10	10/12/10	188.00	Maintenance	Unit was taken offline to repair coal mill journal.
Canadys #3	11/24/10	12/21/10	653.00	Planned	Unit was taken offline due to tube leaks.
Cope	4/21/10	5/10/10	472.63	Planned	Unit was taken offline due to a planned Spring outage.
McMeekin #1	4/11/10	4/18/10	169.12	Planned	Unit was taken offline due to a planned Spring outage.
McMeekin #1	10/08/10	10/21/10	297.57	Planned	Unit was taken offline due to a planned Fall outage.
McMeekin #2	1/29/10	3/16/10	1091.55	Planned	Unit was taken offline due to a planned Spring outage.
McMeekin #2	10/16/10	10/29/10	322.50	Planned	Unit was taken offline due to a planned Fall outage.
Wateree #1	2/3/10	2/11/10	191.73	Maintenance	Unit was taken offline due to turbine vibration.
Wateree #1	10/23/10	11/7/10	365.07	Planned	Unit was taken offline due to a planned Fall outage.
Wateree #2	3/27/10	4/11/10	367.60	Planned	Unit was taken offline due to a planned Spring outage.
Wateree #2	8/1/10	8/9/10	191.00	Forced	Unit was forced offline due to a leak in Radiant Superheater.
Williams	1/17/10	1/23/10	125.33	Maintenance	Unit was taken offline due to tube leaks.
Williams	5/7/10	5/21/10	332.10	Planned	Unit was taken offline to tie in 3rd ID fan.
Williams	9/16/10	11/19/10	1543.23	Planned	Unit was taken offline due to a planned Fall outage.

**Office of Regulatory Staff
Fossil Unit Outage Report
(100 Hrs or Greater Duration) for
South Carolina Electric & Gas Company**

UNIT	DATE OFF	DATE ON	HOURS	TYPE	EXPLANATION OF OUTAGE
Jasper #1	03/14/10	04/24/10	1000.38	Planned	Unit was taken offline due to a planned Spring outage.
Jasper #1	04/27/10	05/03/10	120.15	Maintenance	Unit was taken offline to repair an oil leak.
Jasper #1	11/05/10	12/11/10	862.78	Planned	Unit was taken offline due to a planned Fall outage.
Jasper #2	03/14/10	4/23/10	968.88	Planned	Unit was taken offline due to a planned Spring outage.
Jasper #2	04/27/10	5/3/10	120.15	Maintenance	Unit was taken offline to repair an oil leak.
Jasper #2	11/19/10	11/29/10	222.53	Planned	Unit was taken offline due to a planned Fall outage.
Jasper #3	3/14/10	4/21/10	921.83	Planned	Unit was taken offline due to a planned Spring outage.
Jasper #3	04/27/10	5/3/10	120.15	Maintenance	Unit was taken offline to repair an oil leak.
Jasper #3	11/19/10	11/28/10	207.00	Planned	Unit was taken offline to replace a feed water regulating valve.
Jasper #4	3/14/10	4/24/10	997.37	Planned	Unit was taken offline due to a planned Spring outage.
Jasper #4	04/27/10	5/3/10	120.15	Maintenance	Unit was taken offline to repair an oil leak.
Jasper #4	11/19/10	11/28/10	207.68	Planned	Unit was taken offline due to a planned Fall outage.
Urquhart #1	3/21/10	3/28/10	183.75	Planned	Unit was taken offline due to a planned Spring outage.
Urquhart #1	10/2/10	11/5/10	823.25	Planned	Unit was taken offline due to a planned Fall outage.
Urquhart #2	3/24/10	4/1/10	203.50	Planned	Unit was taken offline due to a planned Spring outage.
Urquhart #2	9/26/10	11/21/10	1357.00	Planned	Unit was taken offline due to a planned Fall outage.
Urquhart #3	3/8/10	3/12/10	106.50	Planned	Unit was taken offline due to a planned Spring outage.
Urquhart #3	10/30/10	11/16/10	418.00	Planned	Unit was taken offline due to a planned Fall outage.
Urquhart #5	3/21/10	3/28/10	183.75	Planned	Unit was taken offline due to a planned Spring outage.
Urquhart #5	10/2/10	11/5/10	830.05	Planned	Unit was taken offline due to a planned Fall outage.
Urquhart #6	3/24/10	4/1/10	203.50	Planned	Unit was taken offline due to a planned Spring outage.
Urquhart #6	9/26/10	11/21/10	1363.62	Planned	Unit was taken offline due to a planned Fall outage.

**Office of Regulatory Staff
V.C. Summer Nuclear Unit Outage Report for
South Carolina Electric & Gas Company**

NO.	DATE OFF	DATE ON	HOURS	TYPE	EXPLANATION OF OUTAGE
1	2/4/10	2/5/10	17.47	Forced	Unit was forced offline due to failure of switchyard disconnect 8901.
2	9/23/10	9/25/10	60.80	Forced	Unit was forced offline due to an oil leak in the A reactor coolant pump motor.

**Office of Regulatory Staff
Generation Mix Report for
South Carolina Electric & Gas Company**

January 1, 2010 - December 31, 2010

MONTH	PERCENTAGE					
	COAL	NUCLEAR	COMBINED CYCLE	COMBUSTION TURBINE	HYDRO	PURCHASED POWER
January	59	20	16	0	4	1
February	53	20	22	0	4	1
March	59	26	11	0	3	1
April	60	27	9	0	3	1
May	46	22	27	0	4	1
June	51	18	26	0	4	1
July	51	18	26	1	3	1
August	51	17	27	0	4	1
September	47	18	29	1	4	1
October	40	26	30	0	3	1
November	54	26	17	0	2	1
December	53	20	24	0	2	1
Avg =	52	22	22	0	3	1

**Office of Regulatory Staff
Generation Statistics for Major Plants for
South Carolina Electric & Gas Company**

January 1, 2010 - December 31, 2010

PLANT	TYPE FUEL	AVERAGE FUEL COST (CENTS/KWH ¹)	GENERATION (MWH)
V.C. Summer ²	Nuclear	0.72	5,657,858
Jasper CC	Natural Gas	3.81	4,342,601
Williams	Coal	4.08	3,417,650
Urquhart	Coal	4.19	399,238
Cope	Coal	4.34	2,738,246
McMeekin	Coal	4.41	1,440,130
Wateree	Coal	4.77	4,043,009
Urquhart CC	Natural Gas	4.84	1,749,798
Canadys	Coal	4.96	1,360,807

Note 1: The average fuel costs for coal-fired plants include oil and/or gas cost for start-up and flame stabilization.

Note 2: Generation Statistics for V.C. Summer represents SCE&G's 2/3 ownership.

Office of Regulatory Staff
SC Retail Comparison of Estimated to Actual Energy Sales
for South Carolina Electric & Gas Company

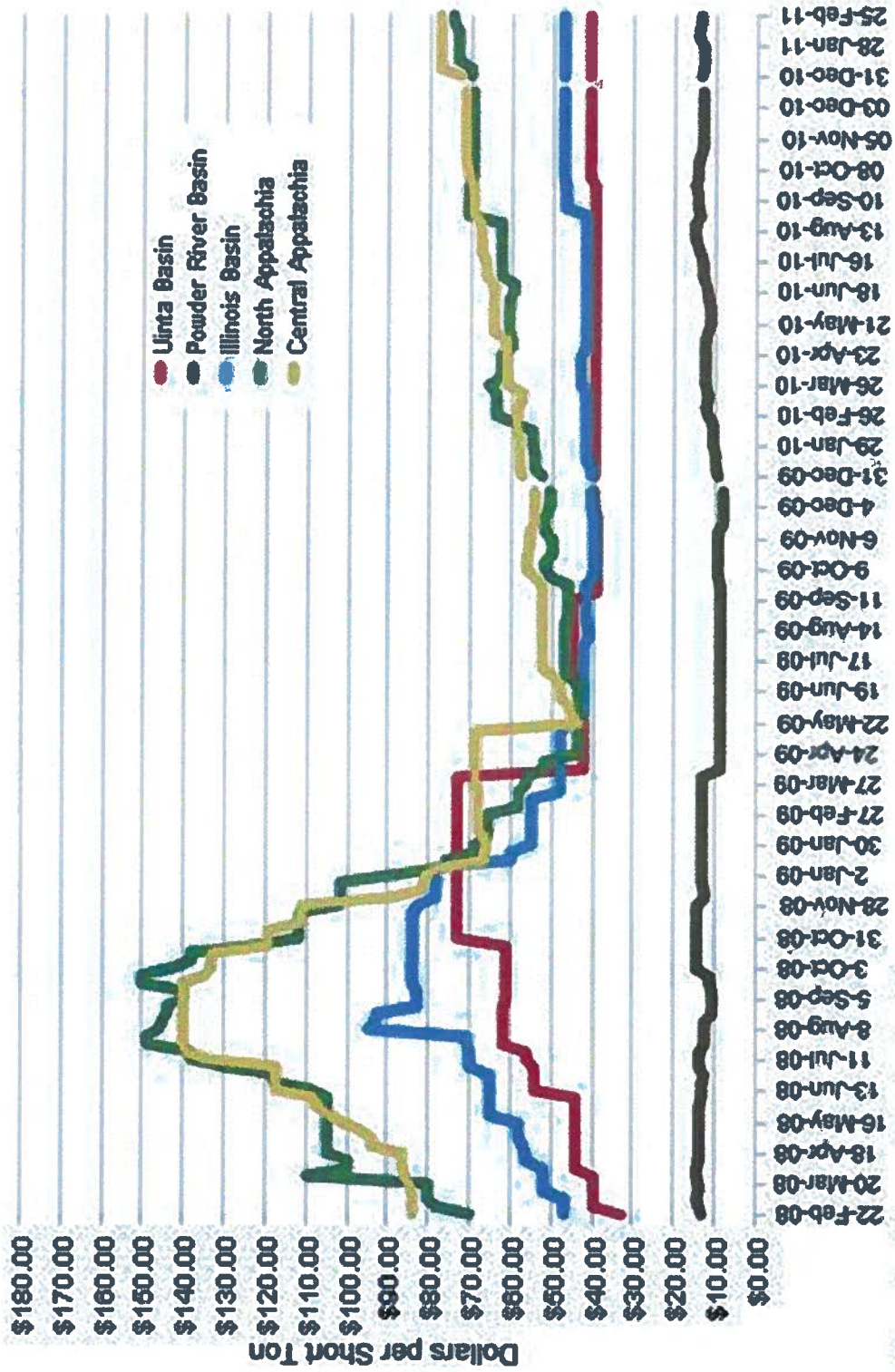
		2010													
		<u>JAN</u>	<u>FEB</u>	<u>MAR</u>	<u>APR</u>	<u>MAY</u>	<u>JUN</u>	<u>JUL</u>	<u>AUG</u>	<u>SEP</u>	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	<u>TOTAL</u>	
[1]	ESTIMATED SALES [MWH]	1,846,800	1,768,300	1,662,700	1,553,700	1,593,000	1,962,000	2,184,500	2,147,700	2,052,400	1,722,800	1,546,100	1,742,000	21,782,000	
[2]	ACTUAL SALES [MWH]	2,039,468	1,796,373	1,839,312	1,565,378	1,633,123	2,098,635	2,242,296	2,267,077	2,125,817	1,786,893	1,503,722	1,805,689	22,703,781	
[3]	AMOUNT DIFFERENCE [1]-[2]	-192,668	-28,073	-176,612	-11,678	-40,123	-136,635	-57,796	-119,377	-73,417	-64,093	42,378	-63,689	-921,781	
[4]	PERCENT DIFFERENCE [3]/[2]	-9.45%	-1.56%	-9.60%	-0.75%	-2.46%	-6.51%	-2.58%	-5.27%	-3.45%	-3.59%	2.82%	-3.53%	-4.06%	

EXHIBIT MSH-7

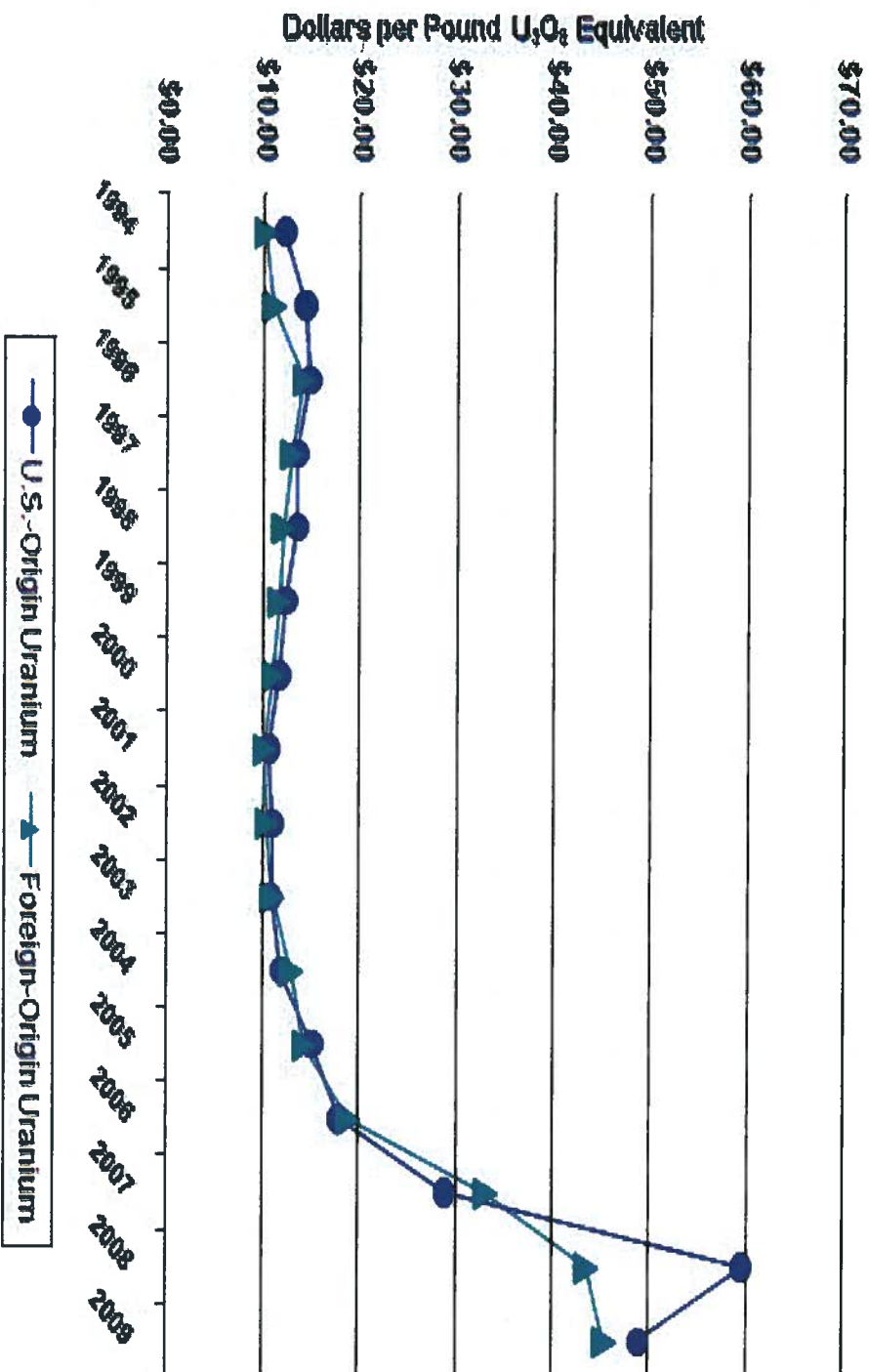
Office of Regulatory Staff
SC Retail Comparison of Estimated to Actual Fuel Cost (Cents/kWh)
for South Carolina Electric & Gas Company

	2010												
	<u>JAN</u>	<u>FEB</u>	<u>MAR</u>	<u>APR</u>	<u>MAY</u>	<u>JUN</u>	<u>JUL</u>	<u>AUG</u>	<u>SEP</u>	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	<u>PERIOD</u>
[1] ORIGINAL PROJECTION	3.7962	3.3836	3.5670	3.5027	3.9099	3.8481	3.8626	3.8288	3.3762	3.5455	3.6765	3.6344	3.6610
[2] ACTUAL EXPERIENCE	4.1907	3.9190	3.1326	3.2455	3.9235	3.9253	3.9862	4.1396	3.4215	2.9106	3.6190	4.3891	3.7336
[3] AMOUNT IN BASE	3.6210	3.6210	3.6210	3.6210	3.6100	3.6100	3.6100	3.6100	3.6100	3.6100	3.6100	3.6100	3.6137
[4] VARIANCE	-9.41%	-13.66%	13.87%	7.92%	-0.35%	-1.97%	-3.10%	-7.51%	-1.32%	21.81%	1.59%	-17.19%	-1.94%
FROM ACTUAL													
[1-2]/[2]													

EIA Average Weekly Coal Commodity Spot Prices
Business Week Ended February 25, 2011



EIA Weighted-Average Price of U.S. and Foreign-Origin Uranium Purchased by Owners and Operators of U.S. Civilian Nuclear Power Reactors, 1994-2009 Deliveries



Office of Regulatory Staff
Proposed Fuel Factors for
South Carolina Electric & Gas Company
May 2011 - April 2012

SCE&G Proposed Factors				ORS Proposed Fuel Factor		
1 Yr Collection (¢/kWh)				2 Yr Amortization (¢/kWh)		
Customer Class	Base Fuel Factor (¢/kWh)	Environmental Fuel Factor (¢/kWh)	Total Fuel Factor (¢/kWh)	Base Fuel Factor (¢/kWh)	Environmental Fuel Factor (¢/kWh)	Total Fuel Factor (¢/kWh)
Residential	3.729	0.069	3.798	3.586	0.069	3.655
Small Gen. Service	3.729	0.047	3.776	3.586	0.047	3.633
Med. Gen. Service	3.729	0.038	3.767	3.586	0.038	3.624
Large Gen. Service	3.729	0.016	3.745	3.586	0.016	3.602
Lighting	3.729	0	3.729	3.586	0	3.586